

**CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2004**

	December-04							September-04					Current FYTD		Prior Year FY04		3 Years Ended 6/30/2004	5 Years Ended 6/30/2004
	Market Value	Allocation Actual	Policy(1)	Returns-Quarter Gross	Returns-Quarter Net	Returns-Month Gross	Returns-Month Net	Market Value	Allocation Actual	Policy(1)	Returns-Quarter Gross	Returns-Quarter Net	Returns Gross	Returns Net	Returns Gross	Returns Net	Net	Net
LARGE CAP DOMESTIC EQUITY																		
<i>Structured Growth</i>																		
Los Angeles Capital	19,924,068	1.6%	1.6%	10.43%	10.37%	4.88%	4.86%	18,051,554	1.5%	1.6%	-4.09%	-4.14%	5.91%	5.80%	N/A	N/A	N/A	N/A
Total Structured Growth	19,924,068	1.6%	1.6%	10.43%	10.37%	4.88%	4.86%	18,051,554	1.5%	1.6%	-4.09%	-4.14%	5.91%	5.80%	17.84%	17.58%	-6.28%	-7.85%
<i>Russell 1000 Growth</i>				9.17%	9.17%	3.92%	3.92%				-5.23%	-5.23%	3.47%	3.47%	17.88%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>																		
LSV	21,455,229	1.8%	1.6%	9.10%	9.01%	2.75%	2.72%	19,685,632	1.7%	1.6%	3.29%	3.21%	12.69%	12.51%	30.96%	30.56%	9.33%	8.36%
<i>Russell 1000 Value</i>				10.38%	10.38%	3.35%	3.35%				1.54%	1.54%	12.08%	12.08%	21.13%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>																		
Los Angeles Capital	42,026,035	3.5%	3.2%	9.34%	9.28%	3.69%	3.67%	38,455,223	3.3%	3.2%	-1.63%	-1.68%	7.55%	7.44%	N/A	N/A	N/A	N/A
<i>Russell 1000</i>				9.80%	9.80%	3.62%	3.62%				-1.81%	-1.81%	7.81%	7.81%	N/A	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																		
Westridge	40,837,329	3.4%	3.2%	9.55%	9.47%	3.46%	3.44%	37,366,218	3.2%	3.2%	-1.92%	-1.99%	7.44%	7.29%	N/A	N/A	N/A	N/A
<i>S&P 500</i>				9.23%	9.23%	3.40%	3.40%				-1.87%	-1.87%	7.19%	7.19%	N/A	N/A	N/A	N/A
<i>Index</i>																		
State Street	12,284,214			9.24%	9.23%	3.42%	3.42%	11,247,108			-1.87%	-1.88%	7.20%	7.17%	19.07%	19.01%	-0.75%	-2.28%
Total Index	12,284,214	1.0%	1.1%	9.24%	9.23%	3.42%	3.42%	11,247,108	1.0%	1.1%	-1.87%	-1.88%	7.20%	7.17%	19.07%	19.01%	-0.75%	-2.28%
<i>S&P 500</i>				9.23%	9.23%	3.40%	3.40%				-1.87%	-1.87%	7.19%	7.19%	19.11%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	136,526,875	11.3%	10.7%	9.52%	9.45%	3.62%	3.60%	124,805,735	10.7%	10.7%	-1.37%	-1.42%	8.02%	7.90%	21.63%	21.46%	0.15%	-1.39%
<i>S&P 500</i>				9.23%	9.23%	3.40%	3.40%				-1.87%	-1.87%	7.19%	7.19%	19.11%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY																		
<i>Manager-of-Managers</i>																		
SEI	74,341,664	6.1%	5.3%	14.96%	14.79%	3.93%	3.88%	64,708,252	5.5%	5.3%	-3.45%	-3.60%	11.00%	10.66%	33.80%	32.99%	5.51%	N/A
<i>Russell 2000 + 200bp</i>				14.64%	14.64%	3.13%	3.13%				-2.36%	-2.36%	11.93%	11.93%	35.99%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	74,341,664	6.1%	5.3%	14.96%	14.79%	3.93%	3.88%	64,708,252	5.5%	5.3%	-3.45%	-3.60%	11.00%	10.66%	33.80%	32.99%	5.54%	7.29%
<i>Russell 2000</i>				14.09%	14.09%	2.96%	2.96%				-2.86%	-2.86%	10.83%	10.83%	33.36%	33.36%	6.24%	6.63%
CONVERTIBLES																		
TCW	72,990,736	6.0%	6.1%	8.50%	8.41%	2.94%	2.91%	67,339,089	5.8%	6.1%	-4.27%	-4.35%	3.87%	3.69%	17.91%	17.50%	1.03%	3.90%
<i>First Boston Convertible Index</i>				5.37%	5.37%	2.08%	2.08%				-1.05%	-1.05%	4.26%	4.26%	14.16%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY																		
<i>Large Cap - Active</i>																		
Capital Guardian	26,287,696	2.2%	2.0%	10.13%	10.01%	3.70%	3.66%	47,583,038	4.1%	4.1%	-1.66%	-1.77%	8.30%	8.07%	25.89%	25.36%	-0.39%	0.54%
LSV	26,461,110	2.2%	2.0%	N/A	N/A	4.84%	4.80%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transition Account	(7,496)	0.0%	0.0%	N/A	N/A	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Large Cap - Active	52,741,310	4.4%	4.0%	10.71%	10.59%	4.25%	4.21%	47,583,038	4.1%	4.1%	-1.66%	-1.77%	8.87%	8.64%	25.89%	25.36%	-0.39%	0.54%
<i>MSCI EAFE - 50% Hedged</i>	<i>24,587,699</i>	<i>2.0%</i>		<i>11.11%</i>	<i>11.11%</i>	<i>3.85%</i>	<i>3.85%</i>				<i>-0.72%</i>	<i>-0.72%</i>	<i>10.31%</i>	<i>10.31%</i>	<i>26.98%</i>	<i>26.98%</i>	<i>-1.27%</i>	<i>-2.14%</i>
<i>Small Cap - Value</i>																		
Lazard	7,415,233	0.6%	0.5%	16.27%	16.09%	4.71%	4.65%	6,392,717	0.5%	0.5%	0.46%	0.29%	16.80%	16.42%	44.23%	43.30%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				16.82%	16.82%	4.90%	4.90%				-0.82%	-0.82%	15.86%	15.86%	47.95%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																		
Vanguard	7,220,283	0.6%	0.5%	19.17%	18.89%	7.39%	7.12%	6,073,402	0.5%	0.5%	0.68%	0.49%	19.98%	19.47%	45.72%	44.68%	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				16.82%	16.82%	4.90%	4.90%				-0.82%	-0.82%	15.86%	15.86%	47.95%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	67,376,826	5.6%	5.1%	12.69%	12.55%	4.61%	4.55%	60,049,157	5.1%	5.1%	-1.19%	-1.31%	11.34%	11.07%	29.78%	29.16%	1.02%	1.39%
<i>MSCI EAFE - 50% Hedged</i>				11.11%	11.11%	3.85%	3.85%				-0.72%	-0.72%	10.31%	10.31%	26.98%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME																		
<i>Core Bond</i>																		
Western Asset	191,067,235	15.8%	14.5%	1.39%	1.34%	1.08%	1.06%	189,015,787	16.2%	14.5%	3.57%	3.52%	5.00%	4.91%	2.61%	2.42%	7.77%	8.10%
<i>Lehman Aggregate</i>				0.96%	0.96%	0.92%	0.92%				3.20%	3.20%	4.18%	4.18%	0.32%	0.32%	6.35%	6.95%
<i>Index</i>																		
Bank of ND	240,911,774	19.9%	20.4%	0.41%	0.40%	0.67%	0.67%	237,865,091	20.4%	20.3%	2.56%	2.54%	2.98%	2.95%	0.13%	0.07%	7.10%	7.25%
Bank of ND CD'S	15,580,438	1.3%	1.3%	0.86%	0.86%	0.28%	0.28%	16,414,462	1.4%	1.4%	0.88%	0.88%	1.75%	1.75%	3.53%	3.53%	4.06%	4.76%
Total Index	256,492,212	21.2%	21.7%	0.44%	0.43%	0.65%	0.64%	254,279,553	21.8%	21.7%	2.48%	2.47%	2.93%	2.90%	0.34%	0.28%	6.76%	7.03%
<i>Lehman Intermediate Gov/Credit (2)</i>				0.44%	0.44%	0.68%	0.68%				2.71%	2.71%	3.16%	3.16%	-0.05%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>																		
Wells Capital (formerly Strong)	107,467,420	8.9%	7.2%	2.36%	2.30%	1.70%	1.68%	105,970,582	9.1%	7.2%	4.58%	4.51%	7.05%	6.92%	1.43%	1.18%	N/A	N/A
<i>Lehman US Credit BAA</i>				1.69%	1.69%	1.56%	1.56%				4.76%	4.76%	6.53%	6.53%	1.96%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	555,026,867	45.8%	43.4%	1.60%	1.56%	1.25%	1.24%	549,265,922	47.1%	43.4%	3.37%	3.34%	5.03%	4.95%	1.94%	1.77%	7.58%	7.77%
<i>Lehman Gov/Credit</i>				0.80%	0.80%	1.06%	1.06%				3.56%	3.56%	4.39%	4.39%	-0.72%	-0.72%	6.73%	7.10%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)																		
Northern Trust Global Investments	124,278,700	10.3%	10.4%	2.56%	2.55%	1.79%	1.79%	121,196,614	10.4%	10.4%	3.72%	3.71%	6.38%	6.35%	N/A	N/A	N/A	N/A
Western	129,526,244	10.7%	10.4%	2.71%	2.70%	1.84%	1.84%	126,093,891	10.8%	10.4%	3.56%	3.55%	6.37%	6.35%	N/A	N/A	N/A	N/A
TOTAL TIPS	253,804,944	20.9%	20.9%	2.64%	2.62%	1.82%	1.81%	247,290,505	21.2%	20.9%	3.64%	3.63%	6.38%	6.35%	N/A	N/A	N/A	N/A
<i>LB US TIPS Index</i>				2.52%	2.52%	1.74%	1.74%				4.25%	4.25%	6.88%	6.88%	N/A	N/A	N/A	N/A
REAL ESTATE																		
<i>Manager To Be Determined</i>	-	0.0%	5.6%	N/A	N/A	N/A	N/A	-	0.0%	5.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>NCREIF Total Index</i>				4.69%	4.69%	1.54%	1.54%				3.42%	3.42%	8.27%	8.27%	N/A	N/A	N/A	N/A
CASH EQUIVALENTS																		
<i>Bank of ND</i>	51,599,401	4.3%	2.9%	0.53%	0.53%	0.21%	0.21%	53,538,158	4.6%	3.0%	0.44%	0.44%	0.97%	0.97%	1.20%	1.20%	1.72%	3.39%
<i>90 Day T-Bill</i>				0.48%	0.48%	0.21%	0.21%				0.37%	0.37%	0.85%	0.85%	0.98%	0.98%	1.71%	3.30%
TOTAL INSURANCE TRUST	1,211,667,313	100.0%	100.0%	4.05%	4.01%	1.90%	1.88%	1,166,996,818	100.0%	100.0%	1.64%	1.60%	5.76%	5.67%	9.49%	9.25%	5.25%	5.77%
POLICY TARGET BENCHMARK				3.75%	3.75%	1.76%	1.76%				2.18%	2.18%	6.02%	6.02%	7.17%	7.17%	5.15%	5.32%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.